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OO RUEHCHI RUEHCN RUEHDT RUEHHM
DE RUEHML #1354/01 1570133
ZNR UUUUU ZZH
O 050133Z JUN 08
FM AMEMBASSY MANILA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 0909
INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS IMMEDIATE
RHHMUNA/CDRUSPACOM HONOLULU HI IMMEDIATE

UNCLAS SECTION 01 OF 03 MANILA 001354

STATE FOR EAP/EX
STATE PASS USAID

SIPDIS

SENSITIVE

E.O. 12958: N/A

TAGS: [PREL](#) [CASC](#) [ASEC](#) [BTIO](#) [BEXP](#) [EAIR](#) [PGOV](#) [ECON](#) [EAID](#) [RP](#)

SUBJECT: DCM Emphasizes Close Ties, Partnerships in Northern
Philippines

REF: A. 07 Manila 03341

[1](#)B. 07 Manila 01020

[1](#)C. 07 Manila 01494

[1](#)1. (U) SUMMARY: The DCM reached out to officials, key civic leaders and consular wardens in the two most Northern provinces of the Philippines to highlight U.S. commitment to the region through donation of law enforcement equipment and engagement with local leaders. On the two-day trip to cities of Laoag and Vigan, the DCM met with the provincial governors of Ilocos Norte and Ilocos Sur, the mayors of the two provincial capitals, the Bishop, and visited a number of cultural locations, including two UNESCO designated sites. The Philippine media covered the events positively. END SUMMARY.

Ilocos Norte and Ilocos Sur - The Background

[1](#)2. (U) The Ilocos region has strong ties to the U.S. through a century of migration that began with large numbers of laborers emigrating to work on Hawaiian pineapple plantations in 1906. A visit by Governor Lingle of Hawaii in 2006 marking the centennial anniversary continues to be an important topic for officials in the region. The people-to-people ties between the Ilocanos and Americans, especially in Hawaii, are very strong. Agriculture and services account for 87% of the economic activity in the region. The major crops are rice, corn, tobacco and high value crops such as onions, garlic, mango, and eggplants. Poultry, swine, and aquaculture are major factors as well. Tobacco is the major export product generating more than 80% of the region's \$15-million export revenue in 2006. The People's Republic of China (PRC) opened its second consulate for the Philippines in Laoag City in April 2007 with the stated intention of promoting investment in Ilocos Norte, especially in the mining and agribusiness sectors (ref B). Political rivalries and dynasties of the region, home to Presidents Quirino and Marcos, still shape politics in the region, as detailed in refs a and c.

Laoag City and the Farinas Clan

[1](#)2. (SBU) The DCM met with Laoag City Mayor Michael Farinas, the most recent in a long line of Farinas family members who have controlled the city for many years. After several years of conflict with the previous Governor of Ilocos Norte, Ferdinand "Bongbong" Marcos Jr., the Farinas clan no longer allies itself with the Marcos clan. However, Mayor Farinas was very complimentary of the efforts of newly elected Governor Michael Keon, the nephew of the late President Marcos. During a luncheon at the City Hall, the DCM remarked on the abundance of activity that surely reflected the energetic policies of the mayor, a former President of the Philippine League of Villages and a Battalion Commander of the Philippine Army Reserves. Two different seminars were being conducted in meeting rooms for civic leaders and city supervisors.

At the same time, school children were engaged in summer programs that have grown tenfold to 3,000 students since being initiated by the mayor and his wife three years ago. The mayor articulated his top two priorities were to upgrade the airport in an effort to increase the number of international flights and tourists, and to facilitate the construction of a new hospital that would improve the delivery of medical services to the region.

Ilocos Norte and the Marcos Clan

13. (SBU) The election of Michael Marcos Keon last year as governor of Ilocos Norte continued the dominance of provincial p